

FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **HOUSTON**

FILE NO.

REPORT MADE AT HOUSTON	DATE WHEN MADE 12-29-51	PERIOD FOR WHICH MADE 8/1,3,9/12; 17,25,27,29; 10/4,16,17,19, 27; 11/2,8,9, 26; 12/4,7,10/ 51.	REPORT MADE BY SA FRANK BALES	FWH
TITLE COLLIS P. SUDERMAN; TEXAS EMPLOYERS INSURANCE ASSOCIATION -vs- UNITED STATES, Civil Action 676, United States District Court, Southern District of Texas.			CHARACTER OF CASE FEDERAL TORT CLAIMS ACT	

SYNOPSIS OF FACTS:

Income tax record reflects Plaintiff received \$15,000.00 from the A. D. Suderman Stevedoring Company for injuries he received in the Texas City Explosion. Veterans Administration record reflects Plaintiff received \$45.00 per month for non-service connected disability of 30%. Witness signed statement placing Plaintiff at scene of explosion. Texas Employers Insurance Association "Ditto" card reflects payment of \$13,892.26 to Plaintiff as a result of his injuries.

- P* -

DETAILS:

b3 per
b6 IRS

APPROVED AND FORWARDED: <i>a. J. Lorton Jr.</i> COPY TO FILE	SPECIAL AGENT IN CHARGE	DO NOT WRITE IN THESE SPACES <div style="font-size: 2em; font-weight: bold; text-align: center;">11 + 3 + 3</div> <div style="text-align: right; font-weight: bold;">RECORDED SE 29</div>	
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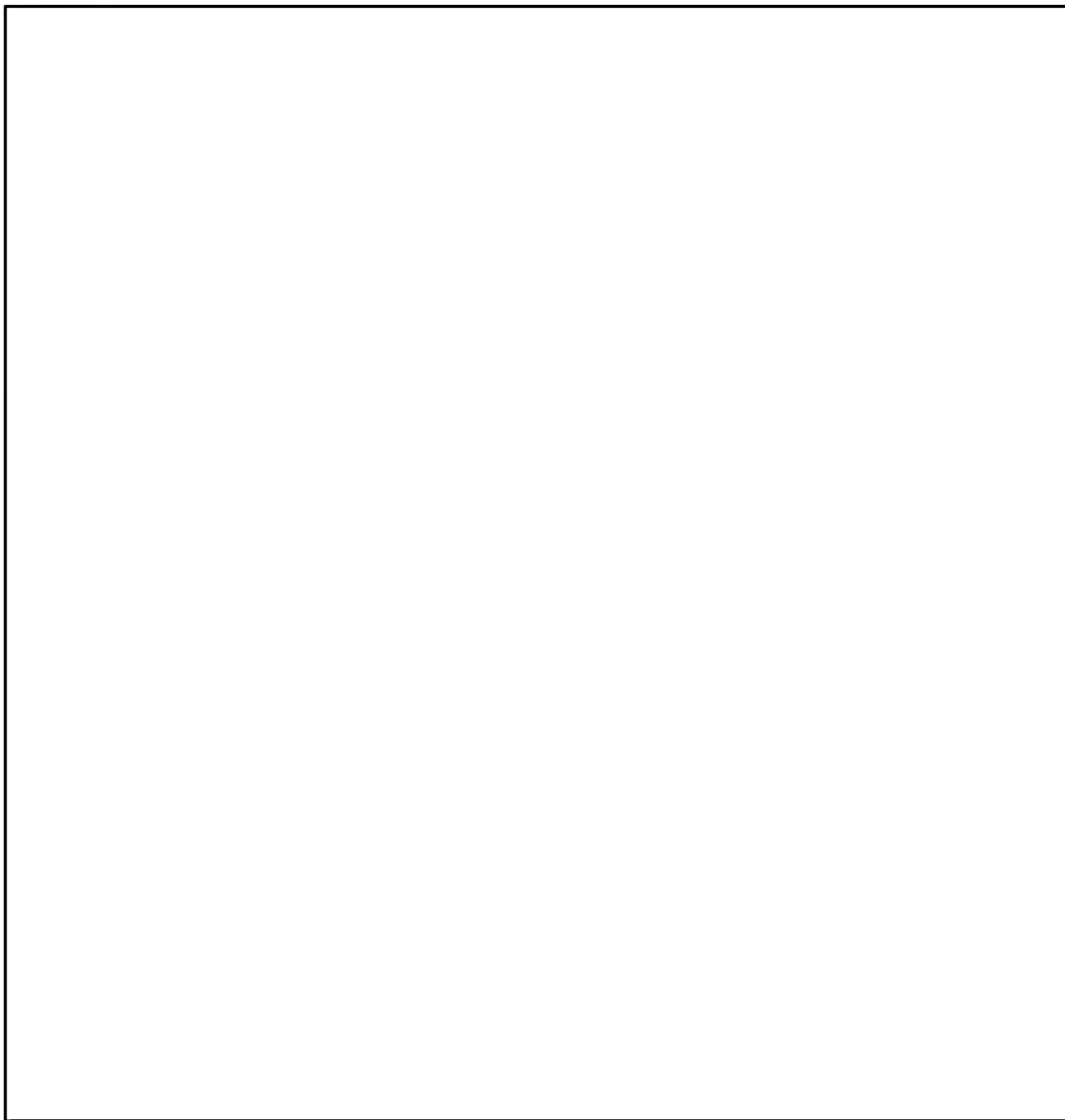
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Ho 120-83

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Ho 120-83

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Carbon copies of the above letter, report and affidavit are being furnished to the United States Attorney, Houston, Texas, as an enclosure to this report.

Special Agent DONALD J. SEBESTA contacted Mr. WILLIAM E. ENGEL, Chief Legal Advisor, Veterans Administration Regional Office, 2320 La Branch, Houston, Texas, who made available the on COLLIS P. SUDERMAN, C number 11-258-969. This file reflects that the Plaintiff started receiving disability benefits of thirty percent on July 25, 1947, at which time he received \$41.40 per month, which amount he received up until December 1, 1949. This amount was increased to \$45.00 per month after December 1, 1949, and he is continuing to receive that amount up to the date of this report.

Mr. ENGEL advised that the Plaintiff will continue to receive that amount until the Rating Board makes some change.

Mr. ENGEL advised regarding non-service connected injuries that a veteran can not get a benefit from the Government if his gross income is over \$2,500.00 yearly and he is a married man. Mr. ENGEL further stated that the veteran is required to make an appearance every two years for purpose of examination to determine the amount of his disability.

Ho 120-83

Mr. ENGEL furnished a photostatic copy of a form entitled Report of Physical Examination which pertains to COLLIS P. SUDERMAN. The examination was given him on October 30, 1947. The form reflects that the Plaintiff had an "Amputated left lower extremity, upper third, result of injury received in the Texas City explosion, in April 1947. Performed by Dr. JINKINS and Dr. EGGERS. Dr. EGGERS and Dr. JINKINS of Galveston, treating him for fractures of right lower extremity. Fractured in thigh, knee and middle right leg. He wears a very complicated steel brace and comes for this examination in a special wheel chair. Dr. WEINERT, of Galveston, has been treating him practically since discharge for arthritis of the hands and feet. He is still under his treatment. He also has scars of lower left chest and abdomen, due to injuries received by falling lumber, during the Texas City Explosion. He also sustained a fractured rib. He also sustained an injury with V-shaped scar, residual, of right cheek. Some loss of hearing of the right ear, mild, of the left ear, result of the Texas City disaster".

Under the hearing of Diagnoses, on examination given by Dr. JAMES L. SMITH, the following injuries were listed:

- "1 - Arthritis, Rheumatoid, fingers, chronic, mild.
- 2 - Tonsillitis, Chronic.
- 3 - Deafness. Partial, right ear, nerve degeneration.
Ordinary conversation, Left 20 feet, right 15 feet.
- 4 - Amputation, left thigh, middle, healed.
- 5 - Fracture, right thigh, knee and leg. In a special wheel chair."

The above photostatic copies of the Report of Physical Examination are being forwarded to the United States Attorney, Houston, Texas, as an enclosure to this report.

Special Agent VINCENT J. O'NEILL contacted Sister MARY PAULA, in charge of records at St. Mary's Infirmary, Galveston, Texas. The records of the hospital reflect that the charges for the treatment of COLLIS P. SUDERMAN were \$1,540.00, and that this amount was paid by the Liberty Mutual Insurance Company.

Attorney ADRIAN LEVY, JR., Galveston, Texas, exhibited a letter of Dr. C. S. SYKES, Galveston, Texas, which is as follows:

Ho 120-83

"C. S. SYKES, M.D.
U. S. National Bank Building, Galveston, Texas
11-27-51

"Mr. Adrian Levy, Jr.
U. S. National Bank Bldg.
Galveston, Texas

"Dear Mr. Levy:

"Pursuant to your request I have checked up the case history of Carlos Suderman pertaining to that period immediately following the Texas City disaster to the present time."

"I find no record that he had any blinking of his eyes. He had at the time of the explosion a superficial abrasion on the cornea of the right eye that healed promptly and so far as I know no further complaints along that line."

"Yours Truly,

/s/ C. S. SYKES

C. S. Sykes, M.D."

"CS3;dh".

Special Agent ROY W. BLACK obtained the following signed statement concerning the Plaintiff:

"Seattle, Wash.
Oct. 29, 1951

"I, JAMES I. FAGG, make the following voluntary statement to ROY W. BLACK, who has identified himself to me as a Special Agent of the FBI."

"On the morning of April 16, 1947, I was working on the dock at pier O, Texas City, Texas. I was employed as walking foreman for A. D. Suderman Stevedoring Company and had arrived at the

Ho 120-83

dock at about 7⁰⁰ am. Between 7⁰⁰ and the time of the explosion, I saw and talked with Collis P. Suderman at several different times. Collis P. Suderman was known to me as Pete Suderman."

"A few minutes before the explosion, Pete Suderman and I had stood talking together on the dock about 150 to 200 feet from the fantail or rear of the SS Grand Camp. We were talking out the way to fight the fire and were about 3 feet from each other when the SS Grand Camp exploded. My damaged watch showed that the time was 9¹² am."

"I have read this statement and it is true."

/s/ "JAMES I. FAGG"

"Witnessed by:

/s/ Roy W. Black, Special Agent,
F.B.I., Seattle, Wash."

The above signed statement is being retained in the files of the Seattle Office.

Insurance Information:

At the Texas Employers Insurance Association, 2502 Fannin Street, Houston, Texas, Special Agents GEORGE M. HAND and ROBERT L. WHITMARSH reviewed that company's "Ditto" cards. These, according to Mr. E. J. HOLLAND, JR., Regional Claim Manager of Texas Employers Insurance Association, are that company's permanent record of payments made to claimants.

A "Ditto" Card on file in the Houston Office of Texas Employers Insurance Association reflected that as a result of injury to COLLIS P. SUDERMAN in the Texas City Disaster, the Texas Employers Insurance Association made the following payments:

Payments to Plaintiff as of 10/8/51	\$10,592.26
Due to Plaintiff as of 10/8/51	<u>3,300.00</u>
Total	\$13,892.26.

Mr. JOHN R. BROWN, Attorney for Texas Employers Insurance Association, in suit against the Government as a result of the Texas

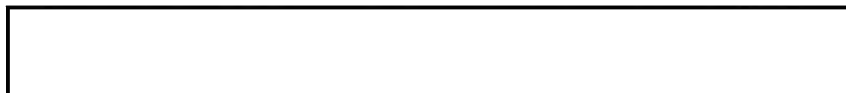
No 120-83

City Disaster, advised Special Agents HAND and WHITMARSH that in his opinion the above described "Ditto" Cards were sufficient proof of payments made by Texas Employers Insurance Association as a result of the Texas City Disaster, but that in the event the Government attorney assigned to the ultimate settlement of these cases desired to see the Texas Employers Insurance Association's drafts and checks issued to claimants for injuries or deaths caused by the Texas City Disaster, then he would make available to the Government such cancelled checks and drafts, but that he was declining at this time to make such checks and drafts available due to the amount of work involved in locating and collecting them.

Mr. ADRIAN LEVY, JR., 1009 United States National Bank Building, Galveston, Texas, has been contacted on numerous occasions and requested to furnish information concerning the Plaintiff. Mr. LEVY has expressed a desire to cooperate, but has been very slow in obtaining the desired information. At the present time Mr. LEVY is in possession of the Texas Employers Insurance Association's files concerning treatment of the Plaintiff that the Texas Employers Insurance Association paid for. Mr. LEVY advised that he has no objection to agents of the Federal Bureau of Investigation reviewing these files, but that he desired to first check the files before releasing them as there were some discrepancies in the Texas Employers Insurance Association's files and he wished to have them corrected before turning them back to Texas Employers Insurance Association for review by agents of the Federal Bureau of Investigation. Mr. LEVY stated it was quite possible he would be through reviewing the Texas Employers Insurance Association's files within the next month and would then return them to the Texas Employers Insurance Association.

ENCLOSURES: To United States Attorney, Houston, Texas.

Photostatic copy of the Veterans Administration
physical examination record concerning SUDERMAN.



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Ho 120-83

LEADS

The Houston Division

At Houston, Texas

*Will report, if and when received, information contained in the Texas Employers Insurance Association's records relative to COLLIS SUDERMAN, when released by the Plaintiff's attorney, ADRIAN LEVY, JR.

At Galveston, Texas

*Will follow and report final adjudication of this case.

REFERENCE

Report of Special Agent FRANK BALLE dated June 22, 1951, at Houston, Texas.

Report of Special Agent WILLARD BOONE dated June 24, 1948, at Houston, Texas.

Bureau letter dated May 26, 1950, transmitting Departmental Memorandum dated May 18, 1950.